

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**HB 830 - SB 852**

April 3, 2009

**SUMMARY OF BILL:** Authorizes a child to be restrained or isolated only if the procedures are in the child's family services or treatment plan, except in emergency situations. Establishes criteria for the Department of Children's Services and the Department of Mental Health and Developmental Disabilities to follow regarding emergency restraint and isolation. Prohibits the use of a chemical restraint on children unless administered for chemical purposes.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures – Exceeds \$8,059,800**

**Increase Federal Expenditures - \$5,839,800**

Assumptions:

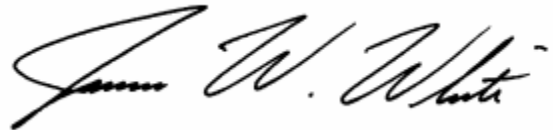
- According to the Department of Children's Services, approximately 74 cases within the Youth Group Homes and 460 cases within the Youth Development Centers resulting in a total of 534 cases.
- The annual cost for residential provider contracts is \$182,064,500. The Department estimates a five percent increase in rates to incorporate the provisions of the legislation resulting in an increase in expenditures of \$9,103,225 ( $\$182,064,500 \times .05$ ).
- Of this amount, seven percent (\$637,226) will be Title IV-E federal funds; 49 percent (\$4,460,580) will be through TennCare funds; and \$4,005,419 in state funds.
- Of the \$4,460,580 in TennCare funds, \$1,153,595 will be state funds at a rate of 25.862 percent and \$3,306,985 will be federal funds at a match rate of 74.138 percent.
- DCS estimates the need for 106 additional security personnel resulting in an increase in expenditures of \$4,546,372 which includes salaries (\$2,522,800), benefits (\$857,572), and communications, networking, travel and supplies (\$1,166,000).
- Of the increase of \$4,546,372, seven percent (\$318,246) will be Title IV-E federal funds; 45 percent (\$2,045,867) will be through TennCare; and \$2,182,259 in state funds.

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- Of the \$2,045,867 in TennCare funds, \$529,102 is state funds at a 25.862 percent match rate and \$1,516,765 is federal funds at a 74.138 percent match rate.
- DCS also estimates a one-time increase in expenditures of \$150,000 for modifications to the SACWIS system. Seven percent (\$10,500) will be Title IV-E funds; 45 percent (\$67,500) will be through TennCare; and \$72,000 in state funds.
- Of the \$67,500 in TennCare funds, \$17,457 will be state funds at a rate of 25.862 percent and \$50,043 will be federal funds at a match rate of 74.138 percent.
- The Department of Mental Health and Developmental Disabilities estimates that additional staff will be needed, but does not know an exact number. The Department estimates that staffing costs will exceed \$100,000.

**CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" and last name "White" clearly legible.

James W. White, Executive Director

/kml